March 1999

Illinois Alternate Fuels Rebate Program

What is the Alternate Fuels Rebate Program? The Alternate Fuels Rebate Program, authorized by the Alternate Fuels Act, 415 ILCS 120 et seq., as amended by P.A. 90-726 (Aug. 7, 1998) and codified in 35 III. Adm. Code Part 275, provides rebates for persons in the state of Illinois who (1) acquire an alternate fuel vehicle - "Original Equipment Manufacturer (OEM) Vehicle Rebate," (2) convert an existing conventional vehicle to an alternate fuel vehicle - "Conversion

Rebate," or (3) purchase domestic renewable fuel to operate an alternate fuel vehicle -"Fuel Cost Differential Rebate." Any business, organization, or individual located in the state is eligible to apply for a rebate under this program.

- What is the rebate amount?

The amount of a rebate is 80 percent of the additional cost of acquiring an alternate fuel vehicle compared to the cost of the same type of conventional vehicle, 80 percent of the additional cost of the domestic renewable fuel compared to the cost of gasoline or diesel fuel, or 80 percent of the cost of the conversion. Only one type of rebate is allowed per vehicle. The rebate amount is limited to \$4,000 per vehicle. An applicant may apply for rebates for up to 300 vehicles and for only 150 vehicles at any one location. Any business, organization, or individual located in the state is eligible to apply for a rebate under this program.

Now long does the program last?

The Alternate Fuels Act establishes expiration dates for rebate application submittals. Applications for an OEM Vehicle Rebate and a Conversion Rebate will be accepted until December 31, 2002. Applications for a Fuel Cost Differential Rebate will be accepted until December 31, 2001. Approved applicants for a Fuel Cost Differential Rebate may receive a rebate over a three-year period provided the necessary documentation for rebate renewal is submitted the following two years to the Illinois EPA prior to the end of the respective calendar year. Call the Illinois EPA for a Fuel Cost Differential Rebate renewal form for the second and third year installments.

- When will the rebates be issued?

Applications will be reviewed and processed at the end of June and December of each calendar year during the effective dates of the program. Applications will be reviewed and prioritized according to the Alternate Fuels Act as they are received by the Illinois EPA. Applications not granted a rebate during a six month period will be carried into the next rebate period for consideration at the same priority level.

The rebates will be issued as funds become available in the Alternate Fuels Fund. Rebates will be issued on a semi-annual basis, and will be limited to the funds available at that time in the Alternate Fuels Fund.

To request an application for a rebate or for assistance, contact Darwin Burkhart in the Illinois EPA's Air Quality Planning Section, Bureau of Air, at 217-524-4343. There are three different application forms for the three types of rebates. In requesting a rebate form, be prepared to identify which type of rebate you are interested in.

For more information on the Illinois Alternate Fuels Rebate Program contest:

Darwin Burkhart, Illinois EPA, Bureau of Air 1021 N. Grand Ave. East, Box 19276 Springfield, IL 62794-9276 217-524-4343

Hearing impaired: 217-782-9143.

Department of Commerce & Economic Development Small Business Environmental Assistance Program 620 East Adams Street, 4th floor Springfield, IL 62701

1-800-252-3998

For more information about this ar other fact sheets contact:

Julie Neposchien Illingis EPA, Bureau of Air 1921 N. Grand Ave. East, Box 19276 Springfield, IL-62794-9276 217-782-6936

Hearing impaired: 217-782-9143.